



August 27, 2007

Ms. Pam Grubaugh-Littig
Utah Department of Natural Resources
Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
Salt Lake City, UT 84114-5801

Fireproof
C/007/0039

Re: Bond [REDACTED]

Dear Pam:

Please include the attached Exhibit "A" Bonded Area Legal Description with the surety bond rider to bond #400SA1917 that I previously sent to you on August 8, 2007.

If you have any questions, please give me a call.

Sincerely,

Stacy Allen
Stacy Allen

Risk Management Department

Enclosure

cc: Vicky Miller, CFC Dugout Canyon

RECEIVED

AUG 28 2007

DIV. OF OIL, GAS & MINING

Bond Number 

EXHIBIT "A"

Pursuant to R645-301- 820.110, the surety bond covers an identified increment of land within the permit area upon which the operator will initiate and conduct coal mining and reclamation operations during the initial term of the permit. This area is identified as:

Map(s) showing the BONDED AREA within the approved PERMIT AREA :

Plate 1-4

Legal description of BONDED AREA:

LEGAL DESCRIPTION OF BONDED AREA:

Waste Rock Storage Facility

T. 14 S., R. 12 E., SLBM, Utah (Approximately 26.8 acres)

Section 18: Portions of NW1/4NE1/4NE1/4
 Portions of NE1/4NE1/4NE1/4
 Portions of SW1/4NE1/4NE1/4
 Portions of SE1/4NE1/4NE1/4
 Portions of NW1/4SE1/4NE1/4

Leachfield and Pipeline

T. 13 S., R. 12 E., SLBM, Utah (Approximately 1.8 acres)

Section 22: Portion of SE1/4SE1/4NE1/4SE1/4
 Portion of NE1/4SE1/4NE1/4SE1/4
 Portion of N1/2NE1/4SE1/4SE1/4;
 Portion of SW1/4NE1/4SE1/4SE1/4;
 Portion of S1/2NW1/4SE1/4SE1/4;
 Portion of SE1/4NE1/4SW1/4SE1/4;
 Portion of N1/2SE1/4SW1/4SE1/4;
 Portion of NE1/4SW1/4SW1/4SE1/4;
 Portion of S1/2SW1/4SW1/4SE1/4
Section 23: Portion of SW 1/4NW1/4NW1/4SW1/4;
 Portion of SE1/4NW1/4NW1/4SW1/4;
 Portion of NW1/4SW1/4NW1/4SW1/4;
Section 27: Portion of W1/2NW1/4NW1/4NE1/4
 Portion of SE1/4NE1/4NE1/4NW1/4
 Portion of E1/2SE1/4NE1/4NW1/4
 Portion of SW1/4SE1/4NE1/4NW1/4

Bond Number XXXXXXXXXX

Main Facilities Area T. 13 S., R. 12 E., SLBM, Utah (Approximately 20.80 acres)

Section 23: A Portion of the following:
NE1/4NE1/4NW1/4SW1/4; NE1/4NW1/4NW1/4SW1/4;
NW1/4NE1/4NW1/4SW1/4;SW1/4SE1/4SW1/4NW1/4;
SE1/4SE1/4SW1/4NW1/4;NW1/4SE1/4SW1/4NW1/4;
NE1/4SE1/4SW1/4NW1/4;SW1/4SW1/4SE1/4NW1/4;
SE1/4SW1/4SE1/4NW1/4;NW1/4SW1/4SE1/4NW1/4;
NE1/4SW1/4SE1/4NW1/4;SW1/4NW1/4SE1/4NW1/4;
SE1/4NW1/4SE1/4NW1/4;NE1/4NW1/4SE1/4NW1/4;
SW1/4NE1/4SE1/4NW1/4;NW1/4NE1/4SE1/4NW1/4;
NE1/4NE1/4SE1/4NW1/4;W1/2SE1/4NE1/4NW1/4;
SW1/4NE1/4NE1/4NW1/4;NW1/4NE1/4NE1/4NW1/4;
NE1/4NE1/4NE1/4NW1/4

Section 14: A Portion of the following:
SE1/4SE1/4SE1/4SW1/4;
NE1/4SE1/4SE1/4SW1/4;
NW1/4SW1/4SW1/4SE1/4

G-2 Thru G-17 Degas Well, (Approximately 27.15 acres)

G-2	Portion of N1/2SW1/4NE1/4 Section 24	Township 13 South, Range 12 East, SLBM
G-3	Portion of N1/2SW1/4NW1/4 Section 19	Township 13 South, Range 13 East, SLBM
G-4	Portion of N1/2NE1/4NW1/4 Section 24	Township 13 South, Range 12 East, SLBM
G-5	Portion of N1/2NW1/4NE1/4 Section 24	Township 13 South, Range 12 East, SLBM
G-6	Portion of S1/2SW1/4NW1/4 Section 18	Township 13 South, Range 13 East, SLBM
G-7	Portion of SW1/4NE1/4SE1/4 Section 24	Township 13 South, Range 12 East, SLBM
G-9	Portion of NW1/4NW1/4SW1/4 Section 21	Township 13 South, Range 13 East, SLBM
G-10	Portion of NE1/4NE1/4SE1/4 Section 20	Township 13 South, Range 13 East, SLBM
G-11	Portion of NE1/4SE1/4SW1/4 Section 20	Township 13 South, Range 13 East, SLBM
G-12	Portion of SE1/4NW1/4SW1/4 Section 20	Township 13 South, Range 13 East, SLBM
G-13	Portion of NW1/4NE1/4SE1/4 Section 19	Township 13 South, Range 13 East, SLBM
G-14A	Portion of SW1/4SW1/4SE1/4 Section 17	Township 13 South, Range 13 East, SLBM
G-15	Portion of NW1/4SE1/4NE1/4 Section 19	Township 13 South, Range 13 East, SLBM
G-16	Portion of SW1/4SE1/4SE1/4 Section 18	Township 13 South, Range 13 East, SLBM
G-17	Portion of SE1/4NW1/4SE1/4 Section 18	Township 13 South, Range 13 East, SLBM
G-19	Portion of SW1/4NW1/4SE1/4 Section 20	Township 13 South, Range 13 East, SLBM

Pace Canyon Fan Facility Township 13 South, Range 13 East, SLBM (Approximately 2.7 acres)
Section 30: Portion of E1/2NW1/4NW1/4

Total Approximately 79.3 Acres

Exhibit "A"
Legal Description
Federal

Bond Number

The above described area shall be modified as necessary to correspond to an increase in the area disturbed as a result of an expansion of coal mining and reclamation operations. The described area may also be decreased as a result of partial reclamation.

IN WITNESS WHEREOF the **SURETY** has hereunto set its signature and seal this

31st day of July, 2007.

St. Paul Fire and Marine Insurance
Company
SURETY

TARA W. MEALER

By: Tara W. Mealer

Attorney-In-Fact
Title: